

## **921 KAR 3:080. Contingency plan.**

RELATES TO: KRS 194A.050

STATUTORY AUTHORITY: KRS 194A.050, 7 C.F.R. 271.7, 273.2, 273.15

NECESSITY, FUNCTION, AND CONFORMITY: The Cabinet for Health and Family Services has responsibility to administer a Food Stamp Program. KRS 194A.050 provides that the secretary shall, by administrative regulation, develop policies and operate programs concerned with the welfare of the citizens of the Commonwealth. This administrative regulation sets forth the process used by the cabinet in the administration of the contingency plan in the event a reduction, suspension, or cancellation of food stamp benefits is ordered by the Department of Agriculture, Food and Nutrition Service (FNS). This administrative regulation has been amended to comply with the amendments to KRS Chapter 13A, enacted during the 1990 Regular Session of the General Assembly, as directed by the Administrative Regulation Review Subcommittee.

Section 1. Allotment Reduction. If a reduction, suspension, or cancellation of benefits is ordered by the FNS, the following procedures shall be applicable:

(1) If the action is a benefit reduction:

(a) The Thrifty Food Plan amounts for all household sizes shall be reduced by a percentage specified by FNS; and

(b) FNS will specify whether minimum benefits are to be provided.

(2) If the action in effect is a suspension or cancellation:

(a) An eligible household shall have its allotment level calculated as usual; however,

(b) No allotment shall be issued for the month the suspension or cancellation is in effect.

Section 2. Application and Certification Process. Applications shall continue to be accepted and processed in accordance with 921 KAR 3:030, except as provided below.

(1) Benefits shall be reduced, suspended or cancelled as FNS orders for the affected month.

(2) During a cancellation, a household eligible for expedited services shall be processed in accordance with time frames set forth in 921 KAR 3:030, Section 6.

Section 3. Restoration of Benefits. (1) Allotments or portions of allotments representing restored or retroactive benefits for a prior unaffected month shall not be reduced, suspended or cancelled, even though they are issued during an affected month.

(2) A household whose allotment is reduced or cancelled:

(a) Shall not be entitled to the restoration of lost benefits at a future date; however,

(b) Restoration of benefits to an affected household shall be provided if FNS determines that a surplus of funds exists as a result of the reduction or cancellation.

Section 4. Fair Hearings. Subject to the following conditions, a household which has its allotment reduced, suspended, or cancelled as a result of an order issued by FNS may request a fair hearing, in accordance with 921 KAR 3:070, if it disagrees with the action:

(1) Fair hearings shall be held only when the request for a fair hearing is based on:

(a) A household's belief that its benefit level was computed incorrectly under this administrative regulation; or

(b) That this administrative regulation was misapplied or misinterpreted.

(2) A household who is merely disputing the fact that a reduction, suspension or cancellation was ordered shall be denied a fair hearing.

(3) A household shall not have the right to a continuation of benefits pending a fair hearing.

(4) Retroactive benefits may be granted if it is determined that the household's benefits were reduced by more than the percentage ordered by FNS. (8 Ky.R. 258; eff. 11-5-1981; 16 Ky.R. 246; eff. 9-20-1989; 20 Ky.R. 661; eff. 10-21-1993; Recodified from 904 KAR 3:080, 10-30-1998; TAm eff. 10-27-2004; TAm eff. 1-27-2006.)